BOARD OF TRUSTEES
August 25, 2020
6:30 PM

Regular Meeting

MINUTES

A. CALL TO ORDER

Mayor Pro Tem Knutson called the regular meeting of the Board of Trustees to order.

1. Pledge of Allegiance

   Mayor Pro Tem Knutson asked that all rise for the pledge of allegiance.

2. Roll Call

   Mayor Pro Tem Knutson
   Trustee Jon Gaiter
   Trustee John Jerome
   Trustee Rebekka Kinney
   Trustee Ashley Macdonald
   Trustee Tim Whitehouse

   Mayor Troy Hamman – ABSENT

   Also Present:
   Kelly Houghteling, Interim Town Administrator
   Tyler Sexton, Interim Finance Director
   Cody Bird, Director of Planning
   Bob Gowing, Director of Public Works
   Krystal Eucker, Town Clerk

3. Amendments to Agenda

   Mayor Pro Tem asked if there were any amendments to the agenda to which there was none.

4. Conflict of Interest

   Mayor Pro Tem asked if there were any conflicts of interest on this evening's agenda to which there was none.

B. COMMUNITY PARTICIPATION

1. Public Comment
   Mayor Pro Tem Knutson asked if there was anyone wishing to make a public comment to which there was none.

C. CONSENT AGENDA

1. Minutes of the July 14, 2020 Regular Board of Trustees Meeting

2. Minutes of the July 15, 2020 Special Board of Trustees Meeting

   Trustee Kinney moved approve the consent agenda; Trustee Gaiter seconded the motion. Roll call on the vote resulted as follows:
   Yeas - Gaiter, Jerome, Kinney, Macdonald, Whitehouse, Knutson
   Nays - None
   Motion carried.

D. ACTION ITEMS

1. Water Treatment Plant Expansion: Design & Construction Recommendations
   Mr. Myer informed the Board that in 2018, the Town retained Stantec for the planning, design, and preparation of construction documents for Wellington's water treatment plant (WTP) expansion. A Construction Manager at Risk (CMAR) project delivery method was employed with Hydro Construction (Fort Collins) on board as the contractor.

   As the design developed, the project experienced significant construction cost estimate increases, escalating from approximately $14.7 million to the latest price of approximately $26.5 million (which does not include engineering construction services). This is despite value-engineering efforts conducted by the CMAR team in early 2019. The latest WTP design documents (current design) were developed by Stantec to the 90-percent level and were submitted the Colorado Department of Public Health and Environment (CDPHE) in July 2019. Wellington has already secured a State Revolving Fund (SRF) loan for the WTP expansion and is incurring debt services.

   In December 2019, several changes in the Town's project team, the aforementioned cost concerns, and the contractor's temporary unavailability have prompted Wellington to employ Jacobs Engineering Group (Loveland, CO) to conduct an independent review. Serving as a "due diligence/project alignment" effort, the independent review was to either affirm the current design or offer an alternative path forward to meet the Town's goals for capacity and treated water quality. Jacobs' final report was received on April 29, 2020 and presented to the Town Board on May 26 and recapped during the July 21 work session. In their report, Jacobs outlined an alternative design that offers many benefits over the current design:

- Improved constructability: Ability to operate the existing WTP during most of the construction.
- Process familiarity: Operate existing floc/sed in a way staff is accustomed (staff does not have to learn the DAF technology operation).
- Ozone Simplification: Operate ozone without concern for disinfection monitoring, simplifying process operations.
- Elimination of Mechanical Solids Dewatering: Solids handling is simpler, requiring very little daily attention, less demand on staffing, drier solids so less hauling.
- Reduced Costs: Less expensive capital and O&M costs.
- Taste and Odor Removal: Taste and odor removal below detection thresholds 10 part per trillion Geosmin) under all but the most extreme conditions (typically 90 to 95% removal).
- Flexibility: More flexible for treating a variety of potential future raw water quality supplies.

Several meetings were held between Jacobs, Hydro Construction, and Town staff to discuss the alternative design. Staff agreed that the alternative design offered significant advantages over the current design and requested Jacobs to submit a proposal for design fees and construction management services. The first draft of Jacobs proposal was received on July 31. After conversations with Town staff and negotiations to scope items and fees, the final Jacobs proposal was received on August 14. The proposed schedule shows design initiated in August 2020 and completion of construction in March 2024, a year ahead of the CDPHE Compliance Schedule requirement of completion by May 2025. The following tasks represent the scope of services:

1. Project Management
2. CDPHE and SRF Coordination
3. 10% Preparatory Design
4. 30% Design Plans and Specifications
5. 60% Design Plans and Specifications
6. 90% Design Plans and Specifications
7. 100% Design Plans and Specifications
8. Ozone Equipment Pre-Procurement Package
9. Services During Construction
10. On Site Services During Construction

Town staff recommends proceeding with Jacobs' alternative design and accepting the Jacobs' proposal for design and engineering services during construction. The total cost represents design fees of $2,371,133, roughly 10 percent of an estimated construction cost ($23.3M) and construction management services of $1,006,124, about 4 percent of the estimated construction cost. These percentages are consistent with industry standards. Staff does not recommend instituting a formal request for proposal (RFP) for these services which could take 12 weeks or more (pre-qualifying, advertising, bidding process, review of proposals, selection committee timing, interviews, board approvals and schedules, etc.) and delay the schedule. The Jacobs' staff has indicated immediate availability and have demonstrated themselves reliable and members of an elite design team with considerable experience in the proposed treatment processes.

Town staff also recommends continuing with the CMAR project delivery method and retaining Hydro Construction as the contractor on the following basis:

- Hydro has a successful working relationship with Jacobs on several construction projects in Colorado.
- The firm has been involved with and maintains significant background and knowledge from the previous design and value engineering efforts.
- Hydro is familiar with the sequencing challenges needed during construction and can offer solutions to mitigate these challenges.
- Hydro already worked with numerous vendors and other subcontractors that will be necessary for this project.
- Securing bids from other contractors would be time consuming and detrimental to the necessary design and construction schedule.

Trustee Jerome asked how Mayor Pro Tem Knutson how he felt about this.

> Mr. Pro Tem Knutson commented that the proposal was laid out well as far as contract times and has been impressed with how they've been proceeding with this project so far.

Trustee Gaiter inquired about the funds already expended and if the project will end up being somewhere between 30-40 million

> Mr. Myer stated he feels confident but there are no guarantees in construction, especially with COVID around and material prices so volatile.
> Mr. Gowing stated he is very confident that the changes to the approach on the design will result in lower project cost than the previous version. Going with conventional treatment and removing the mechanical watering and the DAF, will result in a more cost-effective project.

Trustee Gaiter inquired if the design that Wellington will be moving forward with will avoid the same problems as the previous plan where the water treatment plant could possibly be down for months.

> Per Mr. Myer; no, they will not need to shut down while under construction.
> Mr. Saxton responded that they may have to connect a pipe or do something quickly which could cause a minor interruption but that will not be interrupting daily production of the water.

Trustee Gaiter inquired if they will be available to start construction as soon as design is ready.

> Per Mr. Saxton; absolutely.

Mr. Meyer asked that the Board approve to proceed with the alternative design, executing a contract with Jacobs for the design and construction fees and using Jacobs at the engineer and Hydro as the contractor. If approved by the Board, they will sit down and clarify terms in an agreement.

Mr. March suggested that if the Board approves to move forward, it should be subject to Town Administrator and Attorney review.

> Mayor Pro Tem Knutson feels that if there are no major sticking items and if it's just the indemnification and other minor things that can be worked out before the final contracts proposed then we can authorize them to proceed with the contract but they need to see it

before its finally approved. If the Board is comfortable then Mr. March and the Town Administrator would approve the final contract so there would not need another meeting. Ms. Houghteling stated if the Board is comfortable then they could procced with the staff recommendations and Mr. March will look at the legal side for review. If there is anything that sticks out, then they will bring it back to the Board.

Mayor Pro Tem Knutson opened the discussion to the public – which there was no comments

Trustee Jerome moved to proceed with Jacobs independent review final report as described to the board on May 26, 2020 and July 21, 2020, authorize execution of contract with Jacobs Engineering not to exceed $3,377,257 on a time and materials basis for engineering and design and construction services on the water treatment plant expansion project. Employ the CMAR Project delivery method utilizing Jacobs Engineering group as the engineer and retaining Hydro Construction as the contractor and subject to Town Attorney approval of the indemnity clause. approve the consent agenda; Trustee Gaiter seconded the motion. Roll call on the vote resulted as follows:

Yeas - Gaiter, Jerome, Kinney, Macdonald, Whitehouse, Knutson
Nays - None
Motion carried.

2. Review of Office Space Memorandum of Understanding: Wellington Chamber of Commerce

Ms. Houghteling informed the Board that before the Board is the MOU for shared office space with the Wellington Chamber of Commerce. The Board has considered a different option as it relates to our immediate office space needs for staff, the question before the board is whether to end those MOU's that are in place to accommodate those additional staff needs.

Trustee Gaiter inquired if Wellington is receiving compensation from the Chamber for their occupancy of the space and what the ongoing costs of the facility are to Wellington.

Ms. Houghteling stated the agreement with the Chamber says that the Chamber agrees to pay $200 per month to offset the cost of occupancy or provide such in kind services. Mr. Sexton stated Wellington has not received any deposits. Mr. Sexton also stated that Wellington supplies the Internet, Excel, the trash, the gas and the water right now which is roughly around $240 a month.

Trustee Whitehouse commented that there was a copier that was also being utilized that was part of some initial agreement.

Ms. Houghteling stated she believed that was part of an in-kind service when a Wellington staff member occupied that space which currently there is no staff person in place.

Trustee Kinney wanted to applaud the efforts of both the Chamber and the Main Streets Program for all their efforts to the community especially during COVID.

Trustee Macdonald inquired as to what the need is for more office space.

Ms. Houghteling stated the Town is hiring staff that were approved in the 2020 budget. Currently staff are sharing office space and people are having to work from home. As we start to bring people back into the office and bringing in new hires we have run out of space and this was one of the options for us to review.

Trustee Whitehouse inquired as to what the time frame is that we are looking at

> Ms. Houghteling confirmed that Town Hall is over capacity. The new Finance Director will be starting on September 9th, the Communication specialist is starting Labor Day week, the Town Administrator will most likely be starting the end of the year, the planner and administrative assistant also started. Those spaces are quickly filling up.

Mayor Pro Tem Knutson opened the meeting up for public comment

Linda Knaack, 3703 Cleveland Ave, Wellington, CO expressed her concern for the disconnect between the Chamber, the Town and Main Streets. Ms. Knaack stated that the Chamber and Main Street helped their business with even the simplest of things and hope that we can find a way to make this a win win for all parties involved.

Lisa from Polish Spa at 136 Second Street commented that it's been a crucial year for her business and the Chamber and Main Streets have gone above and beyond to help her stay alive during this pandemic. She would like to see collaboration rather than competition between the Town, the Chamber and Main Streets.

Christy Cannon, The Chamber Board of Directors commented that the US projections are predicting that 50% of all Chambers in the US are going to be out of business in 2021. She wants to highlight the top 10 accomplishments for this year:

- They have 150 members and this year they built and kicked off a three-year strategic plan preparing for future success.
- Sponsored the Board of Trustees candidate forum
- Formed a COVID task force immediately and strong partnership with Main Street
- Held a fundraiser with 100% of the funds going back to local businesses. $15,000 were raised, which went back to 11 local businesses and $4.000 went directly to local restaurants.
- Celebrated the community with a visible banner congratulating high school seniors and college graduates.
- Ordered signs out of their own money for local businesses to help promote that they were open for takeout and delivery.
- Partnered with North 40 news for free advertising to our members spotlighting them for what they do with their business.
- Partnered with the town with $10,000 to business development center to offer consulting services to help them grow to the next level.
- Offer monthly members and non-members networking opportunities.
- Provides additional marketing supporting local businesses with a professional directory for all the new people that move into Wellington, so they know what businesses are already here.

Jon Slutsky, Chair of the Wellington Area Chamber of Commerce read a letter that he sent to the Mayor and the Trustees. The letter expressed their shock and sadness of the Town's intention to cancel the MOU that is in place. The ties between the Town and the Chamber became a strong working synergy sharing a strong vision for the town. The Chamber was organized and ready to react when the pandemic occurred, and the groups quickly put together a combined covert task force to help local businesses. Believes that the results of their efforts were in part to the shared office space. Would like to Board to consider the value the Chamber of Commerce brings to our community. Believes they have more than met halfway by providing an enhanced professional foundation to help attract and retain the business aspect of the town. Sharing an office space with the Chamber, Main Street and the Town paints a picture of collaboration and cooperation. They believe this image is invaluable when marketing our community to perspective businesses and portrays a culture of professional collaboration. They are concerned that a separation will recreate walls and barriers to a cohesive community leadership cooperative. They appreciate what the Town has done for them in the past and what it will do for them in the future. The decision will not dissuade them from their core mission to maintain and nourish local businesses, but they are disheartened by our decision to dissolve the mutually supportive relationship as exemplified by the shared space.

Linda Kinzli expressed her concern of what it will cost to move and the unlikelihood of finding a place in Wellington to move to. She believes they are looking at $15.00 to $19.00 a square foot if they can find it. She asked for some consideration on behalf of the Chamber and collaboration as the MOU that was agreed upon only five months ago. They were shocked to get a notice and would like some consideration and concessions since the Town is putting them in a serious dilemma. She asked for some concessions to help them get started somewhere else or some additional time, but mostly would like the town to completely reconsider and allow them to continue doing the good work they have been doing for the past six months.

Kristi Cannon stated there are no rentals available in wellington right now. She said there is a huge gap in what they are currently paying that puts them in a very dire financial situation going forward. They were paying around $3600 a year for a rental and now they could be looking at around $2000 a month. That will create a real hardship for the Chamber. They are in a very bad financially situation from where they've been and moving out and not having a place to move to. Linda Kinzli reiterated that they have been subsidized since the beginning. She is not sure how they are going to sustain and continue. She feels like the rug has been completely pulled out from under them especially with how successful the collaboration between Main Streets and the Town has been. Sustainability is very questionable with the challenges they have a head of them.

Trustee Jerome commented that he believes it is the Boards responsibility to the taxpayers to spend their tax dollars wisely. The Town would be required to go out and lease a property which would require taxpayer's money on the office space and doesn't think it is financially responsible since we have owned property that is in question. He is not saying that Main Streets and the Chamber aren't valuable partners because they are. He believes that both the Chamber and Main Streets have been working from home since COVID 19 and have been working very effectively. Responsibility of the taxpayers must come first and then partners would become second.

Trustee Gaiter inquired if there can be more cubicles and maybe remove the access to conference tables and still allow the Chamber and Main Streets to occupy two of those spaces within the Harrison House.

> Ms. Houghteling stated we would have to work on getting quotes to add cubes or possibly demo out the kitchen to add potentially two more spaces. Another option could be looking at different options if they are considering a modular plus demoing that entire space. It would all depend on what quotes would come back at. The Town needs 10 to 12 spaces so if they can't maximize it there, she recommends looking elsewhere. If the Board retains that property we would have to go and find commercial or multiple modular units to set them up.

Trustee Gaiter inquired as to the cost to the Town if they were to pursue commercial property upfront and ongoing monthly costs.

Ms. Houghteling thought the upfront cost is around $84,000 and monthly rent could be around $4,000.

Trustee Macdonald inquired what the current size of town hall is, how many employees are currently in Town Hall and if we are in the process of hiring Executive level staff.

Ms. Houghteling explained that Town Hall is roughly 900 square feet with nine employees and one bathroom. They are in the process of hiring a Finance Director and Town Administrator at the end of the year. She is not sure where they are going to put these new employees as they are kicking people out of their current spaces and already sharing spaces.

Trustee Kinney commented that all events and fundraisers were cancelled because of COVID 19 and these events help make sure that these programs are viable in the future. Since the Town is cancelling this contract and adding an additional burden, she believes that from the perspective of the Town and the Board should be that we commit to a fair and reasonable concession. She believes that the Town needs the Harrison house for its employees but is compelled to say that we must take care of these two programs because of their value to our community.

Trustee Kinney inquired if the Town would be able to provide concessions or if we were limited in any way to provide financial support for breaking the contract.

Ms. Houghteling stated if she was looking for rental support that is not something that was budgeted and that would have to be a budget amendment for the Board to consider. If she was looking for a time regarding the move out date for the Chamber, it would be 45 days with written notice. Regarding the Main Streets MOU there is no date of how many days of notice but that is something the Board can discuss in this meeting.

Trustee Kinney asks that we consider extending the move out date to the end of the year and consider a financial concession for breaking a lease.

Trustee Macdonald wants to urge and caution that if we provide this concession for one we should be prepared to provide that same concession across the board. She feels that some of this conversation is about negotiation and would be more comfortable if it was moved into something like an Executive Session.

Trustee Jerome wanted to clarify that there is no lease, and this is a MOU (Memorandum of Understanding) and inquired if we have given the written notice yet.

Ms. Houghteling responded no.

Trustee Gaiter thanked the members of the community for speaking about what these organizations have done for our local businesses. He wanted to make clear that he does not see this as pulling out of the relationship with the Chamber. The initial idea was fantastic and it's great to see working together and that synergy has started to happen. This is not the Town saying we do not value these organizations and what they do. We need to look at our own responsibility. He would love to see some way that we can help to make this process a smoother transition for both organizations.

Trustee Whitehouse mentioned that maybe we can brainstorm and work together to find some solution for these organizations.

Trustee Kinney asked if the Board will consider the end of the year to provide the time needed for these programs.

Trustee Macdonald suggested that we give them notice the first of October which would get them close to the end of the year.

Trustee Whitehouse inquired how a decision like that would impact other timelines with the Town and hiring.

Ms. Houghteling mentioned that when the job offer was made for the communications position they were asked to work from home until we had space so that is difficult from a recruiting standpoint. We will likely have to ask other staff members to continue working from home and continue desk sharing.

Trustee Whitehouse asked if all the new hires coming on would need an office space as opposed to being an equipment operator.

Ms. Houghteling responded that she is only talking about office staff.

Trustee Jerome made a motion to authorize the Interim Town Administrator to send a formal letter on September 1, 2020 to the Chamber of Commerce terminating the MOU office space agreement; Trustee Macdonald Seconded the motion. Roll call on the vote results as follows:

Yeas – Jerome, Macdonald, Knutson
Nays – Gaiter, Kinney, Whitehouse
Motion failed.

Trustee Gaiter moved to authorize the Interim Town Administrator to send a written notice to the Chamber of Commerce on October 1, 2020 ending the MOU; Trustee Kinney seconded the motion. Roll Call on the vote results as follows:

Yeas – Gaiter, Kinney, Macdonald, Knutson, Whitehouse
Nays - Jerome
Motion carried.

3. Review of Office Space Memorandum of Understanding: Main Streets Program
Mayor Pro Tem Knutson opened it up to the public.

Linda Knaak inquired how many more new staff is the town going to hire? Would like to know why all the sudden there needs to be more space since we've lost a lot of staff.

Kallie Cooper, Executive Director Wellington Main Street stated that they are incredibly grateful as an organization to have had the opportunity to utilize the space at the Harrison house. It has given them the financial flexibility to respond to the challenges of 2020 and develop partnerships with the Chamber and the Town. Stated that it will be a challenge to move but they will do it and come out more resilient.

Anita Hardy, President of the Board for Main Streets wanted to thank the Town for the opportunity to collaborate especially during the pandemic. She shared that they have grown this year and will continue to grow no matter where their office is located. They appreciated the time they had sharing the office space.

Trustee Macdonald thanked Ms. Cooper and Ms. Hardy for their time. She said they exemplify strength and leadership and applauded their resilience.

Trustee Gaiter inquired if we can give the Main Streets program the same consideration as the Chamber and give them 45 days from the 1st of October since there is nothing written in the MOU.

Trustee Kinney wanted to add that we also consider concessions or making those considerations as she very much values the work Main Streets Program has done.

Trustee Gaiter moved to approve the Interim Town Administrator provide a written notice to the Main Streets Program ending the MOU, providing that notice October 1, 2020 with 45 days for them to vacate. Trustee Kinney Seconded the motion. Roll Call on the vote results as follows:

> **Yeas – Gaiter, Jerome, Kinney, Macdonald, Knutson, Whitehouse**
> **Nays – None**
> **Motion carried**

4. <u>Annexation Agreement and Development Agreement for Poudre School District</u>

Mr. Bird stated they have made progress with PSD staff on a couple of outstanding items and they have got documents cleaned up except for a few minor items that they will tackle later. There is still some ongoing communication on the raw water dedication requirements and whether the school district has shares to contribute or whether we would accept cash for the portion. He believes they have made some progress with some ideas that might help bridge the gap between where the school district is and the Town is. They are working on cost estimates for the public improvements that would be needed in order to obtain physical security for the two-year warranty period. It is recommend that this item be tabled to a later date to get clarification and final numbers in the agreements.

Trustee Gaiter mentioned that he is frustrated that this item keeps getting tabled to the next meeting and inquired if there was anything negative that happens in terms of negations with PSD or Mr. Bird's ability to do work if they tabled it until it was ready to move forward?

> Mr. Bird responded that the school district is looking at risk and they want to limit that risk as much as possible. They want to get these documents approved as soon as possible so if we tabled this item two or three meeting out on a certain date and its ready before that date then they cannot bring it back. They have taken this one meeting at a time to preserve the option to move forward when its ready.

Trustee Whitehouse thought that if tabled something and don't have a date to bring it back on its effectively dead.

> Mr. March stated that if you tabled something indefinitely then it does just that. This is the reason that it keeps coming back.

Trustee Whitehouse inquired if there was any progress with the PSD Board and some members of the town staff.

Ms. Houghteling stated that they are working on it and hope to have that scheduled within the next two weeks.

Mayor Pro Tem opened the meeting for public comment to which there was none.

Trustee Jerome moved to table this item to the September 8, 2020 meeting. Trustee Macdonald seconded the motion. Roll Call on the vote results as follows:

Yeas – Gaiter, Jerome, Kinney, Macdonald, Knutson, Whitehouse
Nays – None
Motion carried.

5. <u>High Service Pumps Replacement for Water Treatment Plant</u>

Mr. Myer informed the Board that Wellington's main water treatment plant (WTP) currently has three (3) high service pumps in operation. Pump 1 was serviced in 2017. Pumps 2 and 3 have not been serviced since they were installed around 2002 and are starting to show a decline in efficiency and pumping capacities from their original design. Because of this, we are adding extreme wear and tear on these pumps, and they are starting to fault and shut down when called to run. Thus, three (3) price quotes have been obtained for replacement of Pumps 2 and 3:

- Denver Industrial Pumps, Inc. has proposed two (2) Peerless Single Stage Vertical Turbine Pumps, 10 inches in diameter, ceramic mechanical seals, and stainless-steel suction strainers. Denver Industrial will also provide two (2) 3/230-460V motors. Denver Industrial's quote also includes for removing and evaluating the existing vertical turbine/motors to assess if one may be salvaged for a spare. Denver Industrial is the only vendor with the resources to perform this service. Note that any future repair costs to the existing motors are not be part of this price quote, only the inspection.
- Falcon Environmental Corp. proposed a Sulzer 12 GMC VT bowl assembly replacement pump and labor.
- Quantum Pumps & Controls has proposed two (2) Goulds Single Stage vertical turbine pumps with 10-inch column pipe, stainless-steel shafting, mechanical seals.

Staff did ask all three vendors the same thing, for complete replacement, motor & pump included. Denver Industrial was the only vendor that provided a quote for what was asked for.

This action item is to request a purchase from Denver Industrial Pumps, Inc. for two (2) new high service pumps and motors. The down time on these pumps will be minimal due to them being replaced with in-kind pumps. A secondary task of this purchase is for Denver Industrial to inspect the existing pulled pumps and motors for serviceability. This will forward the WTP to potentially have these pumps available to serve as redundancies for future expansion in capacities. Denver Industrial has in-depth knowledge of Wellington's treatment and pumping facility. The firm has consistently provided quality, cost-effective work on several projects for the WTP.

Mayor Pro Tem Knutson inquired if there was a chance we could possibly repair/replace some components on those and have them be used for off the shelf replacement parts in the future?

Mr. Jones responded that that is an option.

Trustee Jerome asked if these pumps are readily available.

Mr. Jones stated it will be about 8-10 weeks which is standard.

Trustee Jerome asked if there has been any consideration to installing any type of monitoring equipment on the pumps and motors to give guys a heads up if there are any anomalies with the way they're running so you don't have to wait until there is a breakdown.

Mr. Jones stated that he has been talking with a vendor that they can attach sensors to individual pumps that will tell them everything they need to know. That will help them be more predictive in their maintenance cycle versus reactive.

Trustee Gaiter inquired as to what the GL lines were originally slated for.

Mr. Jones responded that one was going to be for a brand-new purchase and the other one was to upgrade or repair the ones we had, so they were kind of lumped together.

Trustee Whitehouse inquired as to what the cost would be and if it would make sense to put sensors on the pumps now since they have not been serviced since 2002.

Mr. Jones explained that those sensors would not be implemented until 2021 and they would be on the new pumps in the new system so everything would be a fresh start.

Mayor Pro Tem Knutson opened the meeting up for public comment to which there was none.

Trustee Jerome moved to authorize a purchase from Denver Industrial Pumps for two high service pumps and motor and inspection of existing pumps for a total of $44,961; Trustee Whitehouse seconded the motion.

Roll call on the vote results as follows:
Yeas – Gaiter, Jerome, Macdonald, Kinney, Knutson, Whitehouse
Nays – None
Motion Carried

6. Water Treatment Plant: Sludge Removal from Ponds

Mr. Myer informed the Board that Wellington's main water treatment plant (WTP) currently has three (3) discharge ponds on site. These ponds receive filter backwash and sludge from the clarifiers. With the addition of treatment chemicals, the ponds fill with sludge which needs to be removed and disposed. If the ponds get too full, the plant has the potential to release the alum sludge back to Reservoir No. 3. In addition, our discharge permit limits the number of suspended solids we can discharge to an active waterway.

Sludge removal and disposal is extremely specialized, and thus Town staff was only able to obtain two proposals for this project:

- BioVelocity LLC will remove 0.3 million gallons from the ponds using a dredge, then pumped to a dewatering centrifuge, then to drying bed onto trailers to haul away ($80,000).
- Veris Enviromental will utilize geotube/bags stored onsite with the dry sludge removed by a long reach track hoe ($74,300).

This action item is to award a contract with BioVelocity LLC for the dredging, dewatering, hauling and disposal of the WTP's backwash ponds. BioVelocity LLC will remove the sludge from the premise and without the use of geotubes which is the preferred method.

Mayor Pro Tem Knutson asked DJ to explain to the board as to why this is such a specialized removal.

Mr. Jones stated that this is chemically inducive and you can't just dump it into a normal landfill. There are not many people in the industry that deal with heavy laden sludges.

Trustee Gaiter asked why geotubes are not the preferred method.

Mr. Jones stated the geotubes take up a lot of space they can be 100' wide by 20' and 8' when its full. The longer the water stays in the tubes it will leach out of the bag.

Trustee Whitehouse wanted to clarify that these contracts are not apples to apples. One is to separate and removal and the other is putting the geobags in and then another cost to remove them later.

Per Mr. Jones; that is correct, and these were the only two that he could find and solicit bids for.

Attorney March wanted to point out that this contract has a provision that says the contractor shall not in any event be liable for indirect special consequential or liquidated damages or penalties for the based upon contract warranty tort or negligence. The Town could potentially be held liable for those penalties and could not hold the person holding the sludge liable. That may or may not be a concern.

Trustee Jerome asked if this provision is a concern to Mr. March.

Mr. March stated it is a concern and he would be less concerned if that was not in the contract.

Mayor Pro Tem Knutson inquired if there was a timing issue or could we go back and ask them about the provision.

Mr. Jones stated one of the timing issues is that these ponds are 90% full and what happens is that it will go back into Reservoir 3 which becomes discharge and an EPA issue.

Mayor Pro Tem Knutson inquired as to what the potential risk was to the Town.

Mr. March responded that if there was a spill there could potentially be damages.

Trustee Macdonald commented that she does not see any problem with approving what's presented to the Board.

Trustee Jerome moved to authorize contracts with Bio Velocity LLC for sludge removal for the water treatment plant ponds not to exceed the amount of $80,000. Trustee Macdonald seconded the motion. Roll call on the vote results as follows:

Yeas – Gaiter, Jerome, Kinney, Macdonald, Knutson, Whitehouse
Nays – None
Motion Carried

E. REPORTS

1. Town Attorney

   None.

2. Town Administrator

   None.

3. Staff Communications

   a. Treasurer Report - Tyler Sexton

      Trustee Gaiter thanked Mr. Sexon for the report.

4. Board

Trustee Whitehouse mentioned that the last two items that the Board approved were approved line item costs. He said it seems like they are approving something that's already been approved and would like to know if there is a way to clean that up.

Ms. Houghteling stated that due to the purchasing policy there is a limit for the Town Administrator; anything over $20,000 needs to go back to the Board of Trustees. She said there are tweaks they would like to make to the purchasing policy but due to staff capacity they have not been able to. The new Finance Director will be tackling this around the first of the year.

Trustee Gaiter inquired if we received any answers or information about some issues regarding water bills running higher.

Mr. Sexton stated that every month we go and read the meters and once it gets back to the Utility Billing Clerk, she will look at any high usage consumption from the prior month to the current month. We reach out to those citizens and ask them if there was anything outside the normal going on and around 80% of those people have installed new sod. On the rare occasion they have not done anything out of the norm, we will ask Public Works to go check the meter to make sure there are no leaks or anything on our end that would cause the meter to run. If the meter on our end checks out fine, we will advise the property owner to contact a plumber to see if there are any leaks.

Trustee Gaiter asked if there was an estimated reading we do versus a physical reading or if there are separate types of reading that we do for water utility.

Mr. Sexton explained that during March and April the Town did do estimates due to COVID. But the issue was that some of those people have not been users for a year, so they got a bill for zero gallons for those two months but when it came time to read the meters their bill was for three months of usage. He doesn't intend us ever doing that again unless it's a very rare set of circumstances.

Trustee Gaiter stated that there have been issues with contractors using the bulk water station. He wanted to know what the maximum fine is because his concern is that if the maximum fine is still less than what Fort Collins charges, we are still going to have issues. He also wanted to know if it is possible for us to increase the fine so that we can dissuade the contractors from using it and putting the water usage for residents at risk.

Mr. Brad March responded that the maximum standard fine is $1000 per incident.

Mr. Gowing responded that they are bringing an adjustment to the bulk water rate to the

Board soon.

Trustee Jerome inquired if we have repeat offenders, could we look at some type of suspension or something that bars them from working in town.
Trustee Gaiter agreed with Trustee Jerome and was wondering if they could do more than just fine them.

Mr. March said he would investigate it.
Mr. Bird pointed out that the contractors that have been abusing the bulk water are contractors coming from other counties that have been on C-DOT projects and may not be aware of these provisions. He agrees with Trustee Jerome's comments and he just wanted to highlight that these citations have not been issued to any contractors that are doing work in town.

Michael Rairdon explained that the two contractors who were cited for theft on the water hydrants were also contractors that were working on projects outside of town.

Trustee Kinney stated that virtual school will be starting remotely and that it is a huge strain on a lot of our community. She said we should give a little extra grace and kindness and know that families are under a lot of stress.

Trustee Macdonald Inquired if Ms. Houghteling knew when the next water committee meeting was.

Ms. Houghteling stated that it has not been scheduled yet as she has a call with the water council next week, but they are in the middle of reviewing our NPIC contract.

F. EXECUTIVE SESSION – No executive session was held.

G. ADJOURN

Upon a motion duly made, the meeting was adjourned at

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Krystal Eucker, Town Clerk